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**\* Admitted in FL and NJ**

November 18, 2009



Anne K. Quinlan, Esq.  
Acting Secretary  
Surface Transportation Board  
395 E Street, SW  
Washington, DC 20423

**ENTERED**  
**Office of Proceedings**

**NOV 18 2009**

**Part of**  
**Public Record**

Re: STB Docket No. AB-551 (Sub-No. 1X)  
Knox & Kane Railroad Company – Abandonment Exemption –  
in Clarion, Forest Elk and McKean Counties, Pennsylvania

Dear Secretary Quinlan:

Enclosed for filing is a statement of Knox & Kane Railroad's Willingness to Negotiate with the McKean County Planning Commission and with the Kovalchick Family Trust, and a statement of Willingness to Assume Financial Responsibility by the Kovalchick Family Trust in order to establish public use conditions.

Sincerely,

*Andrew P. Goldstein*

Andrew P. Goldstein  
Attorney for  
Knox & Kane Railroad Company  
And Kovalchick Family Trust

cc: All Parties

**ORIGINAL**

Docket No. AB-551 (Sub-No. 1X)

Response of Applicant, Knox and Kane Railroad Company,  
to McKean County Planning Commission Request  
for a Public Use Condition and Certificate  
or Notice of Interim Trail Use

Applicant is willing to negotiate with the County and its colleague counties provided they can establish satisfactory proof of their ability to pay taxes and other expenses required by regulation as they become due. Applicant also intends to negotiate rail use and rail banking provisions with the Kovalchick Family Trust.



A copy of this response is being served today by first class mail, postage prepaid, on the McKean County Planning Commission.

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Attorney for  
Knox and Kane Railroad

**ORIGINAL**

AB 551 (SUB-NO. 1-X)

Statement of Willingness to Assume Financial Responsibility

In order to establish a public use condition or interim trail use and rail banking under 16 U.S.C. 1247(d) and 49 C.F.R. 1152.29, the Kovalchick Family Trust is willing to assume full responsibility for management of, for any legal liability arising out of the transfer or use of (unless the user is immune from liability, in which case it need only indemnify the railroad against any potential liability), and for the payment of any and all taxes that may be levied or assessed against the right-of-way owned by Knox and Kane Railroad and operated by said Railroad. The Kovalchick Family Trust has \$50,000 available for these purposes and additional funds available if necessary. The property, known as Clarion to Kinzua Branch, extends from railroad milepost 95.3 near Clarion Junction, to railroad milepost 165.2, near Mount Jewett, a distance of 69.9 miles in Clarion, Forest, Elk and McKean Counties, PA. The right-of-way is part of the line of railroad proposed for abandonment in Docket No. STB AB-551 (Sub-No. 1X).

The Kovalchick Family Trust acknowledges the use of the right-of-way is subject to the users continuing to meet its responsibility described above and subject to possible future reconstruction and reactivation of the right-of-way for rail service. A map depicting the right-of-way is attached. A copy of this statement is being served on Deborah L. Lunden, Director, McKean County Planning Commission and Applicant.

Trust Director:

Joe Kovalchick

Date: 11/17/2009

